
Department of Livestock

This audit report documents the results of our financial-compliance audit of the Department of Livestock (department) for the two fiscal years ended June 30, 2005.

This report contains four recommendations where the department could improve accounting and enhance compliance with federal and state policies and laws. It also contains one disclosure issue regarding the use of brand rerecord deferred revenue. The department's written response to the audit recommendations begins on page B-3.

We issued a qualified opinion on the financial schedules contained in the report. The opinion on page A-3 discusses financial errors in recording federal revenues, Board of Horse Racing activity, and revenue from new brands and brand transfers. This means the reader should use caution when analyzing the presented financial information and the supporting data on the Statewide Accounting, Budgeting, and Human Resources System (SABHRS).

The listing below serves as a means of summarizing the recommendations contained in the report, the department's response thereto, and a reference to the supporting comments.

Recommendation #1

We recommend the department comply with federal regulations and:

- A. Direct charge personal service costs to federal grants based on actual time spent by employees; and
- B. Maintain documentation of hours worked. 6

Department Response: Concur. See page B-3.